UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WISCONSIN

DOMINIC WILLIAMS,

Plaintiff.

v.

Case No. 24-cv-505-pp

LAURA SUKOWATY, et al.,

Defendants.

ORDER STAYING PROCEEDINGS AGAINST WELLPATH DEFENDANTS AND REQUIRING STATE DEFENDANTS TO FILE STATUS REPORT

On January 2, 2025, counsel for defendants Diana Lynn Simmons, Lillian Oduwole, Susie Lietz, Nicole L. Heding, Mohita Gone and Heidi Madina (the Wellpath defendants) filed a Notice of Bankruptcy Filing and Imposition of Automatic Stay. Dkt. No. 51. The notice states that on November 11, 2024, Wellpath, LLC, filed a Chapter 11 bankruptcy petition in the United States Bankruptcy Court for the Southern District of Texas (Houston Division). Id. When a bankruptcy petition is filed, it operates as a stay on the "commencement or continuation . . . of a judicial . . . action or proceeding against the debtor that was or could have been commenced before the commencement of the case [under Title 11] or to recover a claim against the debtor that arose before the commencement of the case under [Title 11]." 11 U.S.C. §362(a)(1).

The Wellpath defendants state that although Wellpath is not a named defendant, they are being sued in this case in their individual capacities as employees of Wellpath. Dkt. No. 51 at ¶1. They contend that the bankruptcy court's stay extends to this case because Wellpath will be "required to defend and indemnify the Defendants in this matter" based on their role "as employees of Wellpath." Id. at ¶8. The Wellpath defendants assert that "any judgment against the Defendants will operate as a judgment against Wellpath." Id. at ¶9.

The complaint alleges that all the defendants—medical officials at the Milwaukee County Jail, Milwaukee County Community Reintegration Center (formerly the House of Corrections) and two state prisons—misdiagnosed the plaintiff's medical condition and provided him inadequate treatment for his severe skin issues. Dkt. No. 1 at 2-3; Dkt. No. 1-1 at 1-3. Wellpath was the provider of medical services for persons incarcerated at the Milwaukee County Jail and the Community Reintegration Center, where the plaintiff was a pretrial detainee from April 2020 through November 2021. Dkt. No. 1 at 2–3; Dkt. No. 8 at 6. Given these allegations, and the fact that some defendants are or were employees of Wellpath, the court will order the proceedings stayed as to the Wellpath defendants. The court will require the remaining defendants—Laura Sukowaty, Rey Palop, Shirley Godiwalla, Lisa Albrecht, Candace Whitman, Kay L. Walsh and Rob Weinman (the State defendants)—to file a status report advising the court how it should proceed given this development.

The court **ORDERS** that the proceedings are **STAYED** as to defendants Simmons, Oduwole, Lietz, Heding, Gone and Madina. The plaintiff may move to lift the stay if he believes an exception exists. Any party may move to lift the stay within thirty days following the conclusion of the bankruptcy proceedings or the day on which the automatic stay is lifted.

The court **ORDERS** that by the end of the day on **January 24, 2025**, the State defendants (Sukowaty, Palop, Godiwalla, Albrecht, Whitman, Walsh and Weinman) must file a status report advising the court of the impact of the bankruptcy filing on the plaintiff's claims. The court will take no further action in this case until the State defendants file the status report and advise the court of their position on the bankruptcy and the stay of these proceedings.

Dated in Milwaukee, Wisconsin this 9th day of January, 2025.

BY THE COURT:

HON. PAMELA PEPPER

Chief United States District Judge